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## Pakistan

### Food and Agricultural Import Regulations and Standards

### FAIRS: 2006 Annual Report

2006

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**Report Highlights:**

The Pakistan Pure Food Laws (PFL) of 1963 are the basis of the existing trade related food quality and safety legislative framework in the country. They cover 104 food items falling into nine broad categories. These regulations address purity issues in raw food and deal with subjects associated with additives, food preservatives, food and synthetic colors, antioxidants, and heavy metals. Pakistan adheres to the Harmonized Coding System for classification of imported goods. Food Labeling and packaging requirements are enforced. Pakistan is progressing in Agricultural Biotechnology: bio safety guidelines and rules were enacted in April 2005 and a system to monitor and evaluate in-coming proposals has been established. There are no biotechnology-related trade barriers between U.S. and Pakistan.

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[PK]

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## Introduction

Pakistan, with a population of 156 million, has an average per capita income of \$847. During FY 2005/06 Pakistan's GDP increased by 6.6 percent. The inflation rate is at 7 percent and the economy is expected to grow due to continued business activity coupled with a slight drop in the annual population growth rate to 1.9 per cent. Pakistan's economy remains heavily dependent on external factors: current growth may be hampered by re-occurrence of drought as well as the recent rise in international oil prices. The agriculture sector contributes 24 percent to GDP, employs half the labor force and generates a large share of the nation's foreign exchange earnings.

A relatively sustained economic recovery over the past several years has increased levels of imports, and despite Pakistan's less-than-transparent trade regime it remains an importer of U.S. cotton, wheat and vegetable oil, and an expanding market for U.S. food products.

Pakistan is a member of the World Trade Organization and is also party to two agreements for regional trade liberalization: the Economic Cooperation Organization (ECO), comprising of Turkey, Iran, Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz, Tajikistan and Turkmenistan; and the South Asian Association for Regional Cooperation (SAARC), with India, Bangladesh, Sri Lanka, Bhutan, Nepal and the Maldives.

The South Asian Free Trade Area (SAFTA) has been in operation since January 1, 2006 and the SAFTA regime will be fully in force by 2016. A first round of customs duty reduction would take place in 2006. India, Pakistan and Sri Lanka will lower their custom tariffs to 20% by January 1, 2008. The first tariff reduction has been in effect since 1<sup>st</sup> July 2006 by all member states except Nepal.

A Preferential Tariff Arrangement (PTA) between Pakistan, Iran and Turkey under the ECO is in place. It provides 10% reduction in tariffs on a list of specific items. Within its framework, there is an effort to gradually reduce tariffs and non-tariff barriers as well as expand the list of commodities receiving preferential treatment. To supplement the efforts for trade promotion, two important instruments have been made functional: the ECO Transit Trade Agreement and the Agreement on Simplification of Visa Procedures for Businessmen of ECO countries.

The Early Harvest Program (EHP) between Pakistan and Malaysia has been operational since January 1, 2006 and shall expire upon initiation of Free Trade Agreement (FTA) on March 31, 2007. Pakistan's EHP offer to Malaysia covers 125 tariff lines including mechanical equipment and appliances, plastic products, chemical products and rubber products. Malaysia's offer to Pakistan covers 114 tariff lines including textiles and clothing, agricultural products, and jewellery. Interim Rules of Origin (ROO) will be applied to the products covered under the EHP. The EHP ROO will be replaced by a new set of rules under the FTA.

Sri Lanka has signed a Free Trade Agreement with Pakistan. Singapore has exchanged a draft FTA with an investment protection clause. Negotiations are also underway to conclude an FTA with Bangladesh.

China and Pakistan have a Preferential Trade Agreement under which either country can initiate trade under an Early Harvest Program. The agreement provides a major reduction in tariffs and the EHP provides free access to a substantial number of products. An FTA with China is expected to come into effect by 2007.

India and Pakistan are working slowly to increase bilateral trade though achieving change is contingent upon geo-political developments. Pakistan has allowed duty free import of live

animals, meat, garlic, onion, potatoes and tomatoes. India has accorded MFN status to Pakistan, but reciprocal status, to date, has not been granted to India. Both countries are working on a fiber-optic link, which should help to improve bilateral trade.

A Trade and Investment Framework Agreement (TIFA) is in place between Pakistan and United States since July 2003. Both countries are now involved in negotiations on a Bilateral Investment Treaty (BIT).

Pakistan has significantly reformed its trade regime in recent years. Except for strategic commodities, particularly wheat, state involvement in trading has been greatly reduced. The Government of Pakistan (GOP) has agreed to eventually phase out the consumption subsidy on wheat. Rice and cotton exports have been privatized and a number of export subsidies eliminated.

Tariffs range from 0 to 25 percent and will be reduced further as a part of the long-term plan to rationalize the duty structure. GOP levies surcharges on certain items (e.g., vegetable oils) to protect domestic industry. Revenue collection remains problematic due to a narrow tax base and a culture of tax evasion. As a result, GOP finds it effective to collect sales and income taxes on imports upon arrival.

Pakistan is progressing in the field of Agricultural Biotechnology. Bio-Safety guidelines and rules were enacted in April 2005 and a system to monitor and evaluate the incoming proposals has been established. GM soybeans and soybean oil are currently imported by Pakistan. GM corn seed and cottonseed imports may find a market in the light of a recently established Bio-Safety Protocol. There are no biotechnology related trade barriers between United States and Pakistan. Import of GE products in Pakistan is allowed, though the country's 1961 Food Act requires exporters to label their products with a list of ingredients.

#### **Section I: Food Laws**

The Pakistan Pure Food Laws (PFL) of 1963 are the basis of the existing trade-related food quality and safety legislative framework in the country. They cover 104 food items falling under nine broad categories: milk and milk products, edible oils and fat products, beverages, food grains and cereals, starchy food, spices and condiments, sweetening agents, fruits and vegetables and miscellaneous food products. These regulations address purity issues in raw food and deal with additives, food preservatives, food and synthetic colors, antioxidants, and heavy metals.

Essentially, the federal government regulates imports and the provincial governments regulate food standards. Food standards are maintained in the light of the PFL and are administered by provincial Health Departments. At the time of import, the federal Customs Department will check the PFL standards to determine whether an imported item qualifies. If the item is not defined in the PFL standards, the Pakistan Standard Institute (PSI) will be consulted. PSI standards are revised every five years. To ensure that an imported product meets provincial health requirements, the exporter and/or his agent should contact provincial Health Departments to verify that the product meets the requirements of the Pure Food Laws and the Pakistan Standard Institute.

In general, Pakistan's federal food import regulations are based on the premise that if a product is sold in the country of origin, Pakistani standards are met as well. The federal government generally applies Codex standards and guidelines in its regulation of imported food products. U.S. Food and Drug Administration standards also are used for certain products. A list of permissible food colors is updated every year. For animal products, "Halal" certification (slaughtered in accordance with Islamic law) is required.

The Customs Department and Plant Protection and Quarantine (PPQ) are the two main agencies involved in regulating food imports. The Customs Department's primary function is to ensure that imported foods meet Pakistan's labeling and shelf-life requirements, that they are not on the list of banned items and are assessed the appropriate import tariff. PPQ's function is to ensure that bulk commodities and live animal shipments meet phytosanitary requirements.

The federal government's primary concern regarding imported food is shelf life. Federal import regulations require that imported food products have at least 50 percent of original shelf life remaining at time of importation. To ensure shelf life requirements are met, correct labeling is of critical importance. Each retail pack must have the production and expiration dates printed on the label. In addition to shelf life and labeling, certain products are banned for religious reasons. The importation of food products containing pork or pork products is prohibited. Meat and dairy products may be imported if certified to be "Halal." Commercial import of alcoholic beverages or products containing alcohol is also prohibited.

Pakistan controls certain imports through a "negative list." The negative list is comprised of (a) items banned for reasons of religion, security or luxury consumption; (b) capital and consumer goods banned to protect a domestic industry; and (c) intermediate goods used to produce protected goods. Pakistan also maintains a "restricted list" of items that may be imported only by certain parties (i.e., the government or other specified users) or under certain arrangements (such as imports against credit).

Other than above, there are no federal restrictions on the importation of consumer foods. U.S. exporters have had problems with requirements due to the use of bar-code labels, which do not have printed dates of manufacture and expiration. As a result, U.S. suppliers using bar-coded labels alone will incur the extra cost of printing new labels or of affixing stickers with the printed production and expiration dates on each retail pack.

Since Pakistani consumers have confidence in the quality of foods imported in the manufacturers packaging, most foods are imported in consumer-ready packaging. Refined vegetable oil is the one exception and is generally imported in bulk and re-packed locally.

## **Section II: Labeling Requirements**

### **A. General Requirements**

1. Imported food products, including ingredients, must have at least 50 percent of their original shelf life remaining at the time of importation - calculated from the date of filing the "Import General Manifest" (IGM) in accordance with the Customs Act of 1969.
2. Packages or containers must also indicate:
  - a. The date of manufacture and date of expiration,
  - b. That the contents are free from pork and pork products,
  - c. That the contents are fit for human consumption and that any animal product was obtained from an animal slaughtered according to 'Halal' requirements,
  - d. That imports of edible oils be on the basis of landed weight and landed quality, and
  - e. That packing may not contain any word or inscription of a religious connotation or any obscene picture that may offend the religious feeling of any sect, class or group in Pakistan.
3. The production and expiration dates must be printed in English, using either words and/or numbers.

4. Standard U.S. bar-code labels alone are generally not acceptable as they lack printed production and expiration dates, as required by law.
5. Stickers, which contain the required printed dates of manufacture and expiration, should be affixed to the standard U.S. labels prior to shipment.
6. Products for institutional sale are governed by the same regulations as products for direct retail sale. However, certain institutions may request additional information on the label to identify it as their product.
7. Samples are governed by the same regulations as products for direct retail sale.
8. The coded "best before use date" is not considered to be an acceptable expiration date. In the past, several cargoes containing items without printed production and/or expiration dates were held by Customs until stickers, with production and expiration dates certified by the Pakistani High Commission in the United States, could be affixed to each individual item.
9. Pakistan does not have any special or additional requirements based on the country of origin for any food product. In the event there is a worldwide alert for a product from a particular origin, Pakistan will notify the appropriate country and trade organizations of any changes in its import requirements.
10. Authorities are very strict regarding label requirements and do not grant exceptions. Instead, they are authorized to reject or to destroy any cargo with improper labels.

#### **B. Requirements Specific to Nutritional Labeling**

Pakistan does not require nutritional content to be listed on product labels but generally accepts U.S. Food and Drug Administration (FDA) regulations as guidelines. The Pakistan Standard Institute regularly updates its guidelines, based on Codex and FDA revisions.

1. Nutritional labels are not required but can be included at the option of the supplier.
2. The standard U.S. nutritional fact panel is acceptable, if it conforms to FDA regulations.
3. There are no regulatory restrictions on the importation of products with nutrient or nutritional claims. Pakistani authorities consider claims largely as promotional tools and thus far, do not require them to be based on scientific evidence.
4. There are no regulatory restrictions on the importation of products with implied claims. Here again, authorities consider these claims to be promotional tools and do not require them to be verified by scientific evidence.
5. Authorities generally have no objection to the importation of products with specific health claims. However, if a product claims to be a source of vitamins or minerals, it must be registered with the Ministry of Health prior to arrival, jointly in the name of importer and manufacturer.

#### **Section III: Packaging and Container Requirements**

Pakistan generally follows Codex rules for packaging requirements. If packaging material is acceptable in the exporting country, it is acceptable in Pakistan. Pakistan does not have any

packaging requirements related to environmental concerns, such as waste disposal or recycling.

The following information must be placed in a durable and legible manner on all packages in the consignment or container:

- The name of the product,
- The name and address of the manufacturer;
- The net contents,
- The date of manufacture and date of expiration,
- The percentage of dye contents, and
- The normal storage stability.

#### **Section IV: Food Additive Regulations**

Pakistan generally follows Codex rules for food additives and preservatives. The Ministry of Commerce updates its list of importable food additives based on guidance received from Codex. Pakistan also follows Codex standards regarding vitamins in food products.

The Ministry of Commerce regulates the importation of food coloring. These regulations are reviewed and updated annually. The importation of food coloring or foods containing artificial colors is subject to the following conditions:

- a) The importer must obtain a certificate from the concerned agency of the government of the exporting country. The certificate shall accompany each consignment and shall state that the food additives/colors are in use in the country of origin at the time of shipment or are registered for use in that country.
- b) The exporter's invoice must show the percentage of dye contents in the product.

U.S. exporters may obtain the list of importable additives from the Ministry of Commerce through the FAS/Islamabad office. These lists are in English and are updated annually. Annex II contains a list of importable food colors.

#### **Section V: Pesticide and Other Contaminants**

Pakistan generally follows Codex rules and guidelines on maximum residual limits (MRLs) of pesticides and other contaminations in foodstuff. Custom officials enforce these rules according to Codex defined limits for imported foods. However, Pakistan does not have a system to enforce the MRLs of pesticides and other contaminations in domestically produced foods.

Occasionally, authorities enact special requirements, as occurred following the dioxin problem in Belgium in 1999, when Pakistan required a dioxin-free certificate on products originating from Belgium.

#### **Section VI: Other Regulations and Requirements**

The importer shall ensure that:

1. Importation is in accordance with regulations and the item(s) are not on the negative list.

2. The terms and conditions of importation are specified in the letter of credit.
3. Imports of plants and animals have the necessary approval of the Ministry of Food and Agriculture.
4. Imports of livestock genetics have the necessary clearance of the Livestock Division of the Ministry of Food and Agriculture.

**Registration:** There is no requirement to register most consumer foods. However, laboratory testing may be required for food products containing medicines. Bulk vegetable oils are the only products subject to random testing to ensure fitness for human consumption at time of arrival.

If registration is required, the importer must file application with the Ministry of Health. The importer also must attach a letter from the manufacturer stating that he is the manufacturer's sole agent. This letter is required because the product will be registered jointly in the names of the manufacturer and the importer for an initial period of one year, which is extendable. The importer also must submit: a registration fee, a sample of the product in the various packaging to be marketed, a complete product history and other required papers. Registration can take from 3 months to a year to complete.

**Samples:** Product samples can be shipped via express mail or parcel post. If a sample meets labeling and other requirements, it will be released after the applicable tariffs and taxes are paid. Free samples are assessed duty based on freight costs. Specific requirements for sample shipments may be obtained from the Ministry of Commerce.

**Certificate of Origin:** The exporter must provide a certificate of origin for all shipments. For animal products, the exporter also must certify that the product is "Halal." Pakistan may require other specific certificates based on worldwide alerts or other emergency situations. In such instances, the Government of Pakistan will alert the appropriate countries and trade organizations of these requirements. Exporters should verify with their importers that all required certificates for customs and quarantine clearance have been obtained prior to shipment.

There is no system to monitor products at wholesale or retail levels. Under certain circumstances, district administrators, in cooperation with food inspectors, may inspect outlets and, based on their finding may ban the sale of a product.

#### **Section VII: Other Specific Standards**

Pakistan generally follows the European standards for weights and measurements. U.S. weights and measures are acceptable. Other standards applied by product include:

1. Codex rules to regulate importation of vitamin-enriched products.
2. Food products containing a genetically enhanced component (GMO) are not restricted.
3. Fresh or frozen seafood may be imported in consumer packs or in bulk, provided the sale of the same product is permitted in the country of origin
4. Live animals must provide a quarantine certificate from the relevant authority in the country of origin, which contains all the information required for quarantine clearance
5. Alcoholic beverage may not be imported for commercial sale. Importation of alcohol



- for other than commercial sale requires approval of the Ministry of Commerce
6. Organic foods and health foods are not regulated. However, exporters may use FDA and Codex rules as a general guideline.
  7. Product samples and free samples must follow the same regulations as commercially imported items.

#### **Section VIII: Copyright and/or Trademark Laws**

Pakistan is committed to World Trade Organization (WTO) agreements and is moving to comply with WTO agreements on intellectual property rights, trademarks and patent rights. Pakistan has enacted laws and is in the process of formulating the sub-ordinate legislation to enforce these laws. Pakistan is also a member of the Universal Copyright and Bern Conventions.

Pakistan has addressed Intellectual Property Rights by forming an independent body, the Intellectual Property Organization - Pakistan (IPOP). This agency has streamlined access to the organization by having one point of entry. In the past the Ministry of Commerce managed "trade marks," the Ministry of Education managed "Copyrights" and the Ministry of Industries was responsible for "patents." A copyright on a registered design is initially granted for five years extendable for another ten years. Patents are granted for up to 16 years from the date of application and may generally be extended for another five years period and, under some circumstances, for an additional five years. Legal remedies, such as injunctions, are available in cases of patent infringement. Trademarks are registered for seven years from the date of application and the registration may be renewed for an additional fifteen years.

There is no statute of limitations on trademarks and brand name registrations. The importer of a food product, in coordination with the manufacturer, may register the trade mark(s) and brand(s).

#### **Section IX: Import Procedures**

All importers must register with the Export Promotion Bureau and are required to be registered as an importer under the Registration (Importers and Exporters) Order of 1993.

- a. Customs officials and Plant Protection and Quarantine officials, to ensure they conform to labeling and other import requirements must inspect imported products. Imports of live animals or plants require necessary certification from the country of origin. After Customs and PPQ issue their respective clearance reports, the goods are released on payment of import duty.
- b. English is the official language. All agencies will accept documents in English and will respond in English. Thus, there is no need to translate documents to Urdu or other local languages to expedite procedures.
- c. Goods generally can be cleared from Customs in less than a week, if all papers are in order.
- d. The system allows for appeal (at multiple levels) in case of a dispute.

**Section X: Post Contact**

If you have questions or comments regarding this report or need assistance exporting to Pakistan, please contact the Foreign Agricultural Service's office in Islamabad at the following:

Mailing Address:      Agricultural Attaché  
                                 AMEMB-Islamabad  
                                 Unit 62200, Box 16  
                                 APO AE 09812-2200

Local Address:        Agricultural Attaché  
                                 U.S. Embassy  
                                 Diplomatic Enclave  
                                 Ramna 5  
                                 Islamabad, Pakistan

Phone:    (92-51) 208-2276

FAX:        (92-51) 227-8142

E-mail:    [agislamabad@usda.gov](mailto:agislamabad@usda.gov)

For more information on exporting U.S. agricultural products, please visit the Foreign Agricultural Service's home page at: <http://www.fas.usda.gov>

**Annex I: Main Regulatory Agencies**

Secretary Ministry of Food and Agriculture Government of Pakistan Pak. Secretariat, Block "B" Islamabad, Pakistan	Tel    # (92-51) 920-3307 Fax    # (92-51) 922-1246
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Secretary Ministry of Commerce Government of Pakistan Pak. Secretariat, Block "A" Islamabad, Pakistan	Tel    # (92-51) 920-1816 Fax    # (92-51) 920-3104
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Secretary Ministry of Industries Government of Pakistan Pak. Secretariat, Block "A" Islamabad, Pakistan	Tel    # (92-51) 921-1709 Fax    # (92-51) 920-7748
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Secretary Ministry of Finance Government of Pakistan Pak. Secretariat, Block "Q" Islamabad, Pakistan	Tel    # (92-51) 922-4956 Fax    # (92-51) 921-8062
--	--

Chairman Central Board of Revenue CBR House Islamabad, Pakistan	Tel    # (92-51) 920-1938 Fax    # (92-51) 920-5308
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[chairman@cbr.gov.pk](mailto:chairman@cbr.gov.pk)

Collector of Customs	
Pakistan Custom House	Tel # (92-21) 921-4170
Karachi, Pakistan	Fax # (92-21) 921-4134

Chairman	
Export Promotion Bureau	
Finance and Trade Center	Tel # (92-21) 920-6462
Shara-e- Faisal, Karachi, Pakistan	Fax # (92-21) 920-6461
<a href="mailto:chairmanepb@yahoo.com">chairmanepb@yahoo.com</a>	

Pakistan Standard Institute	
Food and Agricultural Division	Tel # (92-21) 920-5997
Karachi, Pakistan	Fax # (92-21) 920-5928

Governor/Director	
State Bank of Pakistan	
Central Directorate	
I.I. Chundrigar Road	Tel # (92-21) 921-244-748
Karachi, Pakistan	Fax # (92-21)

#### Annex II: List of Food Colors and Food Color Lakes

##### S. NO. Common Color Name

1. Curcumin
2. Riboflavin
3. Riboflavin-S-phosphate
4. Tartrazine
5. Quinoline yellow
6. Sunset yellow FCF and orange yellow S
7. Cochineal, carminic acid, carmines
8. Azorubine, carmoisine
9. Amaranth
10. Ponceau 4R, cochineal Red A
11. Erythrosine
12. Red 2G
13. Allura Red AC
14. Patent Blue V
15. Indigotine, Indigo carmine
16. Brilliant blue FCF
17. Chlorophylls and Chlorophyllins
18. Copper complexes of chlorophylls and chlorophyllins
19. Green S
20. Plain caramel
21. Caustic sulphite caramel
22. Ammonia caramel
23. Sulphite ammonia caramel
24. Brilliant Black BN, Black PN
25. Vegetable carbon
26. Brown FK
27. Brown HT
28. Mixed carotenes

29. Beta carotene
30. Annatto, bixin, Norbixin
31. Paprika extract, capranthin
32. Lycopene
33. Beta-apo-8 carotenal (C 30)
34. Ethyl ester of beta-apo-8-carotenic acid (C 30)
35. Lutein
36. Canthaxanthin
37. Beetroot Red, Betanin
38. Anthocyanins
39. Calcium carbonate
40. Titanium Dioxide
41. Iron oxide and hydroxide
42. Aluminium
43. Silver
44. Gold
45. Litholrubine BK

Note: The above list is not all conclusive.